

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6534

BILL NUMBER: HB 1477

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: Provider Direct Billing of Medicaid Recipients.

FIRST AUTHOR: Rep. Brown T

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill allows a Medicaid provider to contract with a Medicaid recipient before a service is provided to bill the Medicaid recipient directly instead of Medicaid for providing services to the Medicaid recipient for specified office visits.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The bill would allow a Medicaid provider to contract in writing with a Medicaid recipient prior to the services being provided for the purpose of billing the recipient for only specified office visits. The bill specifies that a Medicaid provider that enters into such a contract does not commit Medicaid fraud or abuse and is considered a Medicaid provider for the provision of other services not specified in the contract. The bill does not differentiate between office visit services provided to children or adults, including Healthy Indiana Plan (HIP) recipients.

The bill may result in savings to Medicaid to the extent that Medicaid recipients would enter into such contracts, and contingent on the Centers for Medicare and Medicaid Services (CMS) approving changes to provider agreements permitting billing Medicaid recipients for Medicaid covered services.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA, Office of Medicaid Policy and Planning.

Local Agencies Affected:

Information Sources: “Assignment Issues in Medicaid Reimbursement, Avoiding Medicare and Medicaid Fraud and Abuse”, Office of the Inspector General at:

<http://oig.hhs.gov/fraud/PhysicianEducation/02payers.asp>

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